

A woman with dark curly hair, wearing a white jacket, is looking intently at a display of credit cards. The background is blurred, showing other people and store lights.

Do The
Smart
Thing

Credit
Card

Tips

Be Smart About Credit Cards – Your Financial Health Depends on It!

- ★ Keep just one card.
- ★ Read the fine print before you apply for a credit card.
- ★ Watch for teaser rates. Many cards have low introductory annual percentage rates (APRs), which are good only for a limited time, and then the rates increase significantly.
- ★ Carefully track credit card purchases to budget for your monthly bill and to watch for unauthorized purchases.
- ★ Pay your balance in full. If you're not able to pay in full, pay more than the minimum; otherwise, you'll pay a higher amount in interest.
- ★ Notify the card company immediately if you change your address. You could miss payments if you don't receive your bills.

Alternatives to Credit Cards

- ★ **Debit Card:** Deducts charges directly from your checking account, so you only spend money you have
- ★ **Secured Credit Card:** Deducts charges from a savings account that is established specifically for the card
- ★ **Charge Card:** Works similarly to a credit card, except that you must pay the balance in full each month

Credit Card Terms

- ★ **Late Payment Fee:** Charge (usually \$30) for any payment received after the due date
- ★ **Annual Fee:** Yearly membership or participation fee for having the card
- ★ **Annual Percentage Rate (APR):** Percentage rate that determines the finance charges you pay on your account
- ★ **Transaction Fees and Other Charges:** Fees for things such as using your card to get cash or exceeding your credit limit

Questions?
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